

ABSTRACT

Indonesia represents an untapped market with significant potential for veterinary diagnostic equipment, driven by increasing demand for pet-related services and government support for the veterinary industry. XYZ has already established a positive reputation in the Indonesian veterinary diagnostic sector, despite not having a formal presence. However, the higher pricing of XYZ's products compared to local competitors is a perceived challenge. The objective of this research is to provide a financial feasibility analysis regarding the potential expansion of XYZ's Companion Animal Group into the Indonesian market. Data collection methods include interviews with main and expert informants, desk research, and literature reviews. Analytical techniques such as trend analysis, regression, time analysis, risk analysis, financial matrix analysis, and sensitivity analysis are employed to provide comprehensive insights into market size, growth potential, projected revenues, investment requirements, and potential risks. The analysis results show that despite XYZ's positive reputation within the sector, the perception of higher pricing compared to local competitors necessitates a refined marketing strategy. This strategy focuses on reducing the initial costs associated with acquiring testing analysers, thereby improving XYZ's competitive position. Financial projections indicate that XYZ could generate approximately USD 9 million in revenue within the Indonesian market, with a break-even point anticipated 72 months post-expansion. This revenue figure is notably 60% lower than in other markets with equivalent annual client numbers, reflecting Indonesia's lower purchasing power and the tendency of local veterinarians to perform fewer tests. The analysis also highlights substantial liquidity and operational risks, including delayed payments, inadequate international infrastructure, unstable government policies, and regulatory challenges. These factors, combined with Indonesia's complex judicial system, underscore the need for a cautious and well-informed approach to market entry.

Keywords: *Veterinary Diagnostic Equipment, XYZ Laboratories, Indonesian Market, Market Expansion, Financial Projections, Marketing Strategy*